

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On August 9, 2012 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on August 9, 2012 in the State Office Building.

**Members Present:** Edwin S. Greenberg, Chairman  
Bennett Millstein, Vice-Chairman  
Bruce Josephy, Secretary  
Mark A. Norman  
Pasquale A. Pepe  
John P. Valengavich

**Staff Present:** Mary Goodhouse, Real Estate Examiner

Chairman Greenberg called the meeting to order.

Mr. Josephy moved and Mr. Norman seconded a motion to enter into Open Session. The motion passed unanimously.

### OPEN SESSION

**ACCEPTANCE OF MINUTES OF August 2, 2012.** Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of August 2, 2012. The motion passed unanimously.

### COMMUNICATIONS

**Department of Transportation Report of Property Acquisitions.** As required by CGS Section 13a-73(h), the Board received a report from DOT dated August 3, 2012 listing property acquisitions, not in excess of \$5,000, processed during the month of July 2012.

### REAL ESTATE- UNFINISHED BUSINESS

#### REAL ESTATE- NEW BUSINESS

**PRB #** 12-194 **Transaction/Contract Type:** RE / Assignment  
**Origin/Client:** DOT / DOT  
**Project Number:** 153-110-1A  
**Grantee:** Town of Watertown  
**Property:** Located along Middlebury Road and Bunker Hill Road, Watertown, CT  
**Project Purpose:** Assignment of Land to the Town of Watertown  
**Item Purpose:** Assignment of vacant land comprising approximately 45,887 SF, 13,100 SF of slope easement area and 868 SF of drainage right of way to the Town of Watertown for highway purposes in connection with the Intersection Realignment of Middlebury/Bunker Hill Road Project

Ms. Goodhouse recommended Board approval a Quitclaim Deed to the Town of Watertown in fulfillment of Section 10 of Agreement No. 03.31-02(98), to release the referenced property to the Town for highway purposes. The conveyance complies with Section 13a-80 of the CGS governing the release of excess property by the commissioner of transportation. The descriptions in the Quit-Claim to release

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the real property are consistent with the description in the condemnation certificate filed in the Watertown Land Records.

DOT acquired and is now releasing property which was originally acquired for the Intersection Realignment of Middlebury Road and Bunker Hill Road in Watertown. The project is complete and it now necessary for the State to assign the land to the Town of Watertown. This is a release for highway purposes only and there is no monetary consideration.

**PRB #** 12-199      **Transaction/Contract Type:** RE / Voucher  
**Origin/Client:** DOT / DOT  
**Project Number:** 109-163-002  
**Grantor:** Patnod Holdings, LLC  
**Property:** Stillwell Drive, Plainville, CT  
**Project Purpose:** Replacement of the Stillwell Drive Bridge over the Quinnipiac River  
**Item Purpose:** Acquisition of approximately 1,066 SF defined easement area, 3,086 SF temporary construction easement, 138 SF slope easement, 17 SF metal beam rail easement and the contributory value of site improvements all for highway purposes.

Staff reported that to improve safety, this project will replace and reconstruct Bridge No. 04545 over the Quinnipiac River. The proposed structure will consist of twin precast concrete box culverts with arch shaped headwalls. The proposed span length is 42 feet; and the proposed curb to curb width is 34 feet. The roadway profile will be raised approximately 1 foot; a storm drainage system will be installed in the northerly approach and guide railing will be installed on each approach. The total project estimate is \$1,031,000 which includes \$25,000 for two rights of way acquisitions and related costs.

In this item, DOT is acquiring a defined easement for highway purposes within an area of 1,066 sq. ft. located westerly of Stillwell Drive; and a slope easement of 138 sq. ft. Also, a temporary construction easement for a work area of 3,086 sq. ft. will be acquired to construct temporary channels, install sedimentation control system, temporary stockpile of excavated materials, temporary turbidity curtains and temporary cofferdams. An easement will be purchased to install and maintain 17 linear feet of metal beam rail. Some trees and vegetation will be affected.

Consistent with DOT's agreement with FHWA an estimate of compensation (EOC) worksheet has been prepared for the subject taking. This process is used when for simple acquisitions related to minor site improvements where the total cost is typically less than \$10,000.

The subject property contains 1.5 acres in the R-11 zone, and is vacant residential land. The EOC established a unit value of \$3.00/SF. The total compensation is \$5,800.

Ms. Goodhouse recommended approval of the item. The acquisition complies with Section 13a-73(c) of the CGS which governs the acquisition of property by the commissioner of transportation required for highway purposes. The acquisition value is supported by the estimate of compensation prepared by DOT.

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**PRB #** 12-200 **Transaction/Contract Type:** RE / License Agreement  
**Origin/Client:** DOT / DOT  
**Project Number:** (35) 7001-MISC-1349  
**Lessee:** The Connecticut Light and Power Company  
**Property:** Various Railroad Tract Locations within Darien and Stamford  
**Project Purpose:** DOT License Agreement  
**Item Purpose:** DOT License Agreement to allow for the construction, operation and maintenance of transmission facilities within specific State Railroad Right of Ways located in Darien and Stamford.

Ms. Goodhouse reported that in 2005 the Connecticut Siting Council issued a finding in favor of The Connecticut Light and Power Company (CL&P) application to construct and operate 8.7 miles of new 115 kilovolt (kV) electric transmission cables. Installation would be underground within existing public road (and railway) rights of way.

The transmission line, known as the Glenbrook Cables Project, was completed November 2008. The project impacted 5 sites within the State’s railroad right of way operated by Metro-North Railroad. These sites will be encumbered by underground leases; and 4 of the 5 sites require temporary work areas:

Tract No.	Municipality	Location	Zone/H & B Use	Underground Lease Area (SF)	Temporary Work Area (SF)
2	Stamford	Glenbrook Substation, Hamilton Avenue	Lt. Industrial/CL&P surface transmission lines & towers	74,100	0
60, 62, & 64	Darien	Noroton Heights	Business/Rail Station & Parking	35,700	121,800
109	Darien	Tokeneke Road	Office Business/Parking	1,100	1,800
110	Darien	Old Kings Highway & Tokeneke	Office & Research/Parking	1,000	900
111 & 112	Darien	Mechanics Street	CBD/Parking	11,000	17,000
Total				122,900	141,500

To establish the fees to be paid to DOT for the License Agreement, four appraisals (Benedict, Russ, CBRE, Hunter) were completed and were widely divergent in their conclusions. The primary difference between the appraisers’ values is their opinions on the development potential of the various parcels and the effect of the underground lease and temporary work areas on the existing land. For example Mr. Russ believed that the subject properties have little utility other than for rail/utility purposes, and used a direct valuation method and applied a rental rate. Mr. Benedict did “before and after” valuations, and concluded major damages to several of the parcels.

Ultimately the parties agreed to accept the appraisal report prepared by Howard Russ. He valued the affected portions of the rail corridor using the “across the fence” methodology to estimate the property values. Russ estimated that the underground lease would reduce the utility of the properties by a factor of 20%; and applied a rental rate of 8% to the resulting value. The result of his appraisal indicates an annual lease value to the state of **\$80,160**.

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Tract No.	Location	Area (SF)	Unit Value/Ac	Unit Value/SF	Calculation
2	Stamford	74,100	\$1,742,400	\$40.00	74,100 SF x \$40/SF x 20% x 8% = \$47,424
60, 62, & 64	Darien	35,700	\$1,524,600	\$35.00	35,700 SF x \$35/SF x 20% x 8% = \$19,992
109	Darien,	1,100	\$2,831,400	\$65.00	1,100 SF x \$65/SF x 20% x 8% = \$1,144
110	Darien,	1,000	\$1,742,400	\$65.00	1,000 SF x \$65/SF x 20% x 8% = \$1,040
111 & 112	Darien	11,000	\$2,613,600	\$60.00	11,000 SF x \$60/SF x 20% x 8% = \$10,560
Total					<b>\$80,160</b>

Temporary Work Area Easements: These easements were valued by the same method, except that the lease payments were based on a 1 year rental of temporary work areas. Mr. Russ also estimated loss of parking rental income during the temporary construction period. He estimated that income for one year for 69 spaces @ \$60.00/space/month = \$49,680. However, the disruption to parking was minimized by doing the work at night and using a temporary ground cover to permit parking during daytime hours. On a rental basis, Russ valued the temporary work areas as shown:

Tract No.	Location	Temp. Area (SF)	Unit Value/Ac	Unit Value/SF	Calculation
2	Stamford	0	\$1,742,400	\$40.00	0
60, 62, & 64	Darien	121,800	\$1,524,600	\$35.00	121,800 SF x \$35/SF x 8% = \$341,040
109	Darien	1,800	\$2,831,400	\$65.00	1,800 SF x \$65/SF x 8% = \$9,360
110	Darien	900	\$1,742,400	\$65.00	900 SF x \$65/SF x 8% = \$4,680
111 & 112	Darien	18,400	\$2,613,600	\$60.00	18,400 SF x \$60/SF x 8% = \$88,320
Total					<b>\$443,400</b>

The proposed License Agreement expires in 2058 after an initial 20 year term (commencing in 2008) and two automatic 15 year renewals. The fees will be adjusted every five years according to changes in the CPI, with a minimum fee increase of 3% per year. The easements will be reappraised at renewal.

Ms. Goodhouse recommended Board approval of the License Agreement for the underground installation, operation and maintenance of transmission facilities in the specified locations in the state railroad right of way is recommended for the following reasons. The CT Siting Council issued a Certificate of Environmental Compatibility and Public Need for the construction and operation of 8.7 miles of new underground 115-kilovolt electric transmission cables, including the subject location, in Docket No. 292.

The License Agreement was signed by the utility on November 5, 2010 with authorization supplied for James A. Muntz, Senior Vice President – Transmission; and by DOT Transportation Public Transit Administrator on July 23, 2012 with delegation of authority signed by James Redeker, Commissioner. CL&P has provided certification regarding adherence to nondiscrimination practices as defined by §4a-60(a)(1) and §4a-60a(a)(1); and a consulting agreement affidavit as required by §4a-81(b)(1); and certification showing no unlawful campaign contributions.

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**ARCHITECT-ENGINEER - UNFINISHED BUSINESS**

**ARCHITECT-ENGINEER – NEW BUSINESS**

**OTHER BUSINESS**

The Board took the following votes in Open Session:

**PRB FILE #12-194** - Mr. Millstein moved and Mr. Valengavich seconded a motion to approve PRB File #12-194. The motion passed unanimously.

**PRB FILE #12-199** - Mr. Pepe moved and Mr. Norman seconded a motion to approve PRB File #12-199. The motion passed unanimously.

**PRB FILE #12-200** – Mr. Valengavich moved and Mr. Norman seconded a motion to approve PRB File #12- 200. The motion passed unanimously.

The meeting adjourned.

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
Bruce Josephy, Secretary